

Blake, Brooks, Brown, Caperton, ~~Clendenen~~,  
~~Lyons~~, ~~McGregor~~, ~~Henderson~~, ~~Mangy~~, ~~Rowland~~,  
Parker, ~~Pomeroy~~ By Williams & Kothman  
Santisteban, Sarpaluri, Sharp, Trauger, Truan,  
Vale, Washington, Whitman,

S J.R. No. 14

A JOINT RESOLUTION

proposing a constitutional amendment for financial assistance  
to veterans and to authorize the issuance of bonds of the state  
to finance the Veterans' Land Program and the  
Veterans' Housing Assistance Program

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article III of the Texas Constitution be amended  
by adding Section 49-b-1 to read as follows:

Sec. 49-b-1. (a) In addition to the general obligation bonds  
authorized to be issued and to be sold by the Veterans' Land Board by  
Section 49-b of this article, the Veterans' Land Board may provide for,  
issue, and sell not to exceed Eight Hundred Million Dollars  
(\$800,000,000) in bonds of the State of Texas to provide financing to  
veterans of the state in recognition of their service to their state and  
country.

(b) For purposes of this section, "veteran" means a person who  
served not less than ninety (90) continuous days, unless sooner  
discharged by reason of a service connected disability, on active duty  
in the Army, Navy, Air Force, Coast Guard, or Marine Corps of the United  
States after September 16, 1940, and who, upon the date of filing his or  
her application for financial assistance under this section is a citizen  
of the United States, is a bona fide resident of the State of Texas, and  
has not been dishonorably discharged from any branch of the above named  
Armed Forces and who at the time of his or her enlistment, induction,  
commissioning, or drafting was a bona fide resident of the State of  
Texas, or who has resided in Texas at least five (5) years immediately  
before the date of filing his or her application. In the event of the  
death of an eligible Texas veteran after the veteran has filed an  
application with the board, the veteran's surviving spouse may complete  
the transaction. The term veteran also includes the unmarried surviving  
spouse of a veteran who died in the line of duty, if the deceased

veteran meets the requirements set out in this section with the exception that the deceased veteran need not have served ninety (90) continuous days and if the deceased veteran was a bona fide resident of the State of Texas at the time of enlistment, induction, commissioning, or drafting.

(c) The bonds shall be sold for not less than par value and accrued interest; shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the Board; and, notwithstanding the rate of interest specified by any other provision of this constitution, shall bear a rate or rates of interest fixed by the Board. All bonds issued and sold pursuant to Subsections (a) through (f) of this section shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State under the Constitution of Texas.

(d) Three Hundred Million Dollars (\$300,000,000) of the state bonds authorized by this section shall be used to augment the Veterans' Land Fund. The Veterans' Land Fund shall be used by the Board for the purpose of purchasing lands situated in the State of Texas owned by the United States Government or any agency thereof, the State of Texas or any subdivision or agency thereof, or any person, firm, or corporation. The lands shall be sold to veterans in such quantities, on such terms, at such prices, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the Board in connection with the issuance of the bonds and the purchase and sale of the land may be paid from moneys in the Fund. The Veterans' Land Fund shall continue to consist of any lands purchased by the Board until the sale price therefor, together with any interest and penalties due, have been received by the Board (although nothing herein shall prevent the Board from accepting full payment for a portion of any tract), and of the moneys attributable to any bonds issued and sold by the Board for the Veterans' Land Fund, which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such

bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased from such proceeds; the moneys received from the sale or resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by the Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of the Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal of and interest on the general obligation bonds previously authorized by Section 49-b of this constitution shall be paid out of the moneys of the Fund in conformance with the constitutional provisions authorizing such bonds. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Land Fund shall be paid out of the moneys of the Fund, but the moneys of the Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until the moneys are needed for such purposes.

(e) The Veterans' Housing Assistance Fund is created, and Five Hundred Million Dollars (\$500,000,000) of the state bonds authorized by this section shall be used for the Veterans' Housing Assistance Fund. Moneys in the Veterans' Housing Assistance Fund shall be administered by the Veterans' Land Board and shall be used for the purpose of making home mortgage loans to veterans for housing within the State of Texas in such quantities, on such terms, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the Board in connection with the issuance of the bonds and the making of the loans may be paid from moneys in the Fund. The Veterans' Housing Assistance Fund shall consist of any interest of the Board in all home mortgage loans made to veterans by the Board pursuant to a Veterans'

Housing Assistance Program which the Legislature may establish by appropriate legislation until, with respect to any such home mortgage loan, the principal amount, together with any interest and penalties due, have been received by the Board; the moneys attributable to any bonds issued and sold by the Board to provide moneys for the Fund, which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; income, rents, and any other pecuniary benefit received by the Board as a result of making such loans; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds; and interest received from investments of any such moneys. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Housing Assistance Fund shall be paid out of the moneys of the Fund, but the moneys of the Fund which are not immediately committed to the payment of principal and interest on such bonds, the making of home mortgage loans as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until the moneys are needed for such purposes.

(f) To the extent there are not moneys in either the Veterans' Land Fund or the Veterans' Housing Assistance Fund, as the case may be, available for payment of principal of and interest on the general obligation bonds authorized by this section to provide moneys for either of the Funds, there is hereby appropriated out of the first moneys coming into the Treasury in each fiscal year, not otherwise appropriated by this constitution, an amount which is sufficient to pay the principal of and interest on such general obligation bonds that mature or become due during that fiscal year.

(g) Receipt of all kinds of the Funds determined by the Board not to be required for the payment of principal of and interest on the general obligation bonds herein authorized, heretofore authorized, or hereafter authorized by this constitution to be issued by the Board to provide moneys for either of the Funds may be used by the Board, to the extent not inconsistent with the proceedings authorizing such bonds, to pay the principal of and interest on general obligation bonds issued to

provide moneys for the other Fund, or to pay the principal of and interest on revenue bonds of the Board issued for the purposes of providing funds for the purchasing of lands and making the sale thereof to veterans or making home mortgage loans to veterans as provided by this section. The revenue bonds shall be special obligations and payable only from the receipt of the Funds, and shall not constitute indebtedness of the State or the Veterans' Land Board. The Board is authorized to issue such revenue bonds from time to time which shall not exceed an aggregate principal amount that can be fully retired from the receipts of the Funds and other revenues pledged to the retirement of the revenue bonds. The revenue bonds shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the Board; and, notwithstanding the rate of interest specified by any other provision of the constitution, and shall bear a rate or rates of interest fixed by the Board.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 8, 1983. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the State to finance the Veterans' Land Program and the Veterans Housing Assistance Program."

By: Williams, et al.

S.J.R. No. 14

(In the Senate - Filed February 10, 1983; February 14, 1983, read first time and referred to Committee on State Affairs; March 10, 1983, reported adversely, with favorable Committee Substitute; March 10, 1983, sent to printer.)

COMMITTEE SUBSTITUTE FOR S.J.R. No. 14

By: Caperton

# SENATE JOINT RESOLUTION

proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article III of the Texas Constitution be amended by adding Section 49-b-1 to read as follows:

"Section 49-b-1. (a) In addition to the general obligation bonds authorized to be issued and to be sold by the Veterans' Land Board by Section 49-b of this article, the Veterans' Land Board may provide for, issue, and sell not to exceed \$800 million in bonds of the State of Texas to provide financing to veterans of the state in recognition of their service to their state and country.

"(b) For purposes of this section, 'veteran' means a person who served not less than 90 continuous days, unless sooner discharged by reason of a service connected disability, on active duty in the Army, Navy, Air Force, Coast Guard, or Marine Corps of the United States after September 16, 1940, and who, upon the date of filing his or her application for financial assistance under this section is a citizen of the United States, is a bona fide resident of the State of Texas, and was discharged from military service under honorable conditions from any branch of the above-named Armed Forces and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas or who has resided in Texas at least three years immediately before the date of filing his or her application. In the event of the death of an eligible Texas veteran after the veteran has filed an application, the veteran's surviving spouse may complete the transaction. The term veteran also includes the unmarried surviving spouse of a veteran who died in the line of duty, if the deceased veteran meets the requirements set out in this section with the exception that the deceased veteran need not have served 90 continuous days and if the deceased veteran was a bona fide resident of the State of Texas at the time of enlistment, induction, commissioning, or drafting.

"(c) The bonds shall be sold for not less than par value and accrued interest; shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the Board; and, notwithstanding the rate of interest specified by any other provision of this constitution, shall bear a rate or rates of interest fixed by the board. All bonds issued and sold pursuant to Subsections (a) through (f) of this section shall, after execution by the board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the state under the Constitution of Texas.

"(d) Three hundred million dollars of the state bonds authorized by this section shall be used to augment the Veterans' Land Fund. The Veterans' Land Fund shall be used by the board for the purpose of purchasing lands situated in the State of Texas owned by the United States government or any agency thereof, the State of Texas or any subdivision or agency thereof, or any person, firm, or corporation. The lands shall be sold to veterans in such quantities, on such terms, at such prices, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the board in connection with the issuance of the bonds and the purchase and sale of the land may be paid from money in the fund. The Veterans' Land Fund shall continue to consist of any lands purchased by the board until the sale price

therefor, together with any interest and penalties due, have been received by the board (although nothing herein shall prevent the board from accepting full payment for a portion of any tract) and of the money attributable to any bonds issued and sold by the board for the Veterans' Land Fund, which money so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the money received from the sale or resale of any lands, or rights therein, purchased from such proceeds; the money received from the sale or resale of any lands, or rights therein, purchased with other money attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by the board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of the fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such money. The principal of and interest on the general obligation bonds previously authorized by Section 49-b of this constitution shall be paid out of the money of the fund in conformance with the constitutional provisions authorizing such bonds. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Land Fund shall be paid out of the money of the fund, but the money of the fund which is not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until the money is needed for such purposes.

"(e) The Veterans' Housing Assistance Fund is created, and \$500 million of the state bonds authorized by this section shall be used for the Veterans' Housing Assistance Fund. Money in the Veterans' Housing Assistance Fund shall be administered by the Veterans' Land Board and shall be used for the purpose of making home mortgage loans to veterans for housing within the State of Texas in such quantities, on such terms, at such rates of interest, and under such rules and regulations as may be authorized by law. The expenses of the board in connection with the issuance of the bonds and the making of the loans may be paid from money in the fund. The Veterans' Housing Assistance Fund shall consist of any interest of the board in all home mortgage loans made to veterans by the board pursuant to a Veteran's Housing Assistance Program which the legislature may establish by appropriate legislation until, with respect to any such home mortgage loan, the principal amount, together with any interest and penalties due, have been received by the board; the money attributable to any bonds issued and sold by the board to provide money for the fund, which money so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; income, rents, and any other pecuniary benefit received by the board as a result of making such loans; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds; and interest received from investments of any such money. The principal of and interest on the general obligation bonds authorized by this section for the benefit of the Veterans' Housing Assistance Fund shall be paid out of the money of the fund, but the money of the Fund which is not immediately committed to the payment of principal and interest on such bonds, the making of home mortgage loans as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until the money is needed for such purposes.

"(f) To the extent there is not money in either the Veterans' Land Fund or the Veterans' Housing Assistance Fund, as the case may be, available for payment of principal of and interest on the general obligation bonds authorized by this section to provide money for either of the funds, there is hereby appropriated out of the first money coming into the treasury in

each fiscal year, not otherwise appropriated by this constitution, an amount which is sufficient to pay the principal of and interest on such general obligation bonds that mature or become due during that fiscal year.

"(g) Receipt of all kinds of the funds determined by the board not to be required for the payment of principal of and interest on the general obligation bonds herein authorized, heretofore authorized, or hereafter authorized by this constitution to be issued by the board to provide money for either of the funds may be used by the board, to the extent not inconsistent with the proceedings authorizing such bonds, to pay the principal of and interest on general obligation bonds issued to provide money for the other fund, or to pay the principal of and interest on revenue bonds of the board issued for the purposes of providing funds for the purchasing of lands and making the sale thereof to veterans or making home mortgage loans to veterans as provided by this section. The revenue bonds shall be special obligations and payable only from the receipt of the funds and shall not constitute indebtedness of the state of the Veterans' Land Board. The board is authorized to issue such revenue bonds from time to time which shall not exceed an aggregate principal amount that can be fully retired from the receipts of the funds and other revenues pledged to the retirement of the revenue bonds. The revenue bonds shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the board; and, notwithstanding the rate of interest specified by any other provision of the constitution, shall bear a rate or rates of interest fixed by the board."

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 8, 1983. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program."

\* \* \* \* \*

Austin, Texas  
March 10, 1983

Hon. William P. Hobby  
President of the Senate

Sir:

We, your Committee on State Affairs to which was referred S.J.R. No. 14, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu thereof do pass and be printed.

Farabee, Chairman



S.J.R. 14 by Williams

A constitutional amendment enabling the passage of Senate Bill 408 which creates the Veterans' Housing.

Background Information:

The Veterans' Land Program was established in 1947 to assist Texas Veterans in purchasing property in the state. The money to finance the program through the years has been raised by the sale of general obligation bonds. Money raised can only be used for the purchase of lands and resale thereof to Texas veterans by contract at a favorable interest rate.

Problem(s) that the Bill Addresses:

Due to inflation and high interest rates, it is becoming increasingly difficult for veterans to purchase homes. There are several other housing assistance programs currently in existence, however, none that specifically provide service to veterans.

How This Bill Will Solve the Problem(s):

This program will enable Texas veterans to purchase homes at a favorable interest rate, and to participate with lending institutions to secure these loans.

This bill proposes new law.

Section by Section Analysis:

SECTION 1: The Veterans' Land Board may issue and sell up to Eight Hundred Million Dollars in bonds to provide financing to veterans. Terms are defined in this section. The bonds may not be sold for less than par value and accrued interest, but other than this restriction may be set by the board.

Three Hundred Million Dollars of the state bonds are to be used to augment the Veterans' Land Fund to purchase lands to sell to Veterans under rules and regulations authorized by law; and to finance the program. If the monies from the program do not meet the needs of the bonds, receipts from other programs are first looked to and then the first monies in the treasury in each fiscal year are used for payment.

SECTION 2: The Constitutional Amendment shall be submitted to voters at an election to be held on November 8, 1983.

Changes in Agency Rulemaking Authority:

None.

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 1, 1983

Honorable Ray Farabee. Chairman  
Committee on State Affairs  
Senate Chamber  
Austin, Texas

In Re: Senate Joint Resolution No. 14  
By: Williams, et al

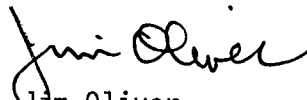
Sir:

In response to your request for a Fiscal Note on Senate Joint Resolution No. 14 (proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program) this office has determined the following:

The resolution provides for the issuance of general obligation bonds not to exceed \$800,000,000 to provide financing to veterans of the state, as defined in the resolution, in recognition of their service to their state and country. The sum of \$300,000,000 million is for the purpose of augmenting the Veterans' Land Fund. The sum of \$500,000,000 shall be used for the purpose of making home mortgage loans to veteran's for housing within the state.

The cost of publication is estimated to be \$50,825 in FY84.

No fiscal implication to units of local government is anticipated.

  
Jim Oliver  
Director

Source: General Land Office;  
LBB Staff: JO, JH, KH, PA

Floor Amendment # 1

By Hart

Rec  
5-3-83

Amend CSSJR 14, Section 2 of the bill, line 34, by  
inserting "\$800,000,000 in", after the word "of".  
*#800 million*

"The constitutional amendment for financial assistance to veterans and to authorize the issuance of \$800,000,000 in bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program."

**ADOPTED**

MAR 14 1983

*Betty King*  
Secretary of the Senate

*Floor am. #2  
3/14/83*

AMEND THE CAPTION TO CONFORM  
TO THE BODY OF THE BILL

**ADOPTED**

MAR 14 1983

*Betty King*  
Secretary of the Senate

1983 MAR 21 PM 5: 26

HOUSE OF REPRESENTATIVES

Engrossed

March 14 1983  
LARRY SPAN  
Engrossing Clerk

I certify that the attached is a true and correct  
copy of State Affairs, which was  
received from the Senate MAR 15 1983 and  
referred to the Committee on State Affairs

Becky Murray  
Chief Clerk of the House

By: Williams, et al.  
(Tejeda)

S.J.R. No. 14

SENATE JOINT RESOLUTION

proposing a constitutional amendment for financial assistance to  
veterans and to authorize the issuance of bonds of the state to  
finance the Veterans' Land Program and the Veterans' Housing  
Assistance Program.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article III of the Texas Constitution be  
amended by adding Section 49-b-1 to read as follows:

"Section 49-b-1. (a) In addition to the general obligation  
bonds authorized to be issued and to be sold by the Veterans' Land  
Board by Section 49-b of this article, the Veterans' Land Board may  
provide for, issue, and sell not to exceed \$800 million in bonds of  
the State of Texas to provide financing to veterans of the state in  
recognition of their service to their state and country.

"(b) For purposes of this section, 'veteran' means a person  
who served not less than 90 continuous days, unless sooner  
discharged by reason of a service connected disability, on active  
duty in the Army, Navy, Air Force, Coast Guard, or Marine Corps of  
the United States after September 16, 1940, and who, upon the date  
of filing his or her application for financial assistance under  
this section is a citizen of the United States, is a bona fide  
resident of the State of Texas, and was discharged from military  
service under honorable conditions from any branch of the  
above-named Armed Forces and who at the time of his or her  
enlistment, induction, commissioning, or drafting was a bona fide

1 resident of the State of Texas or who has resided in Texas at least  
 2 three years immediately before the date of filing his or her  
 3 application. In the event of the death of an eligible Texas  
 4 veteran after the veteran has filed an application, the veteran's  
 5 surviving spouse may complete the transaction. The term veteran  
 6 also includes the unmarried surviving spouse of a veteran who died  
 7 in the line of duty, if the deceased veteran meets the requirements  
 8 set out in this section with the exception that the deceased  
 9 veteran need not have served 90 continuous days and if the deceased  
 10 veteran was a bona fide resident of the State of Texas at the time  
 11 of enlistment, induction, commissioning, or drafting.

12 "(c) The bonds shall be sold for not less than par value and  
 13 accrued interest; shall be issued in such forms and denominations,  
 14 upon such terms, at such times and places, and in such installments  
 15 as may be determined by the Board; and, notwithstanding the rate of  
 16 interest specified by any other provision of this constitution,  
 17 shall bear a rate or rates of interest fixed by the board. All  
 18 bonds issued and sold pursuant to Subsections (a) through (f) of  
 19 this section shall, after execution by the board, approval by the  
 20 Attorney General of Texas, registration by the Comptroller of  
 21 Public Accounts of the State of Texas, and delivery to the  
 22 purchaser or purchasers, be incontestable and shall constitute  
 23 general obligations of the state under the Constitution of Texas.

24 "(d) Three hundred million dollars of the state bonds  
 25 authorized by this section shall be used to augment the Veterans'  
 26 Land Fund. The Veterans' Land Fund shall be used by the board for

1 the purpose of purchasing lands situated in the State of Texas  
2 owned by the United States government or any agency thereof, the  
3 State of Texas or any subdivision or agency thereof, or any person,  
4 firm, or corporation. The lands shall be sold to veterans in such  
5 quantities, on such terms, at such prices, at such rates of  
6 interest, and under such rules and regulations as may be authorized  
7 by law. The expenses of the board in connection with the issuance  
8 of the bonds and the purchase and sale of the lands may be paid  
9 from money in the fund. The Veterans' Land Fund shall continue to  
10 consist of any lands purchased by the board until the sale price  
11 therefor, together with any interest and penalties due, have been  
12 received by the board (although nothing herein shall prevent the  
13 board from accepting full payment for a portion of any tract) and  
14 of the money attributable to any bonds issued and sold by the board  
15 for the Veterans' Land Fund, which money so attributable shall  
16 include but shall not be limited to the proceeds from the issuance  
17 and sale of such bonds; the money received from the sale or resale  
18 of any lands, or rights therein, purchased from such proceeds; the  
19 money received from the sale or resale of any lands, or rights  
20 therein, purchased with other money attributable to such bonds; the  
21 interest and penalties received from the sale or resale of such  
22 lands, or rights therein; the bonuses, income, rents, royalties,  
23 and any other pecuniary benefit received by the board from any such  
24 lands; sums received by way of indemnity or forfeiture for the  
25 failure of any bidder for the purchase of any such bonds to comply  
26 with his bid and accept and pay for such bonds or for the failure

1 of any bidder for the purchase of any lands comprising a part of  
 2 the fund to comply with his bid and accept and pay for any such  
 3 lands; and interest received from investments of any such money.  
 4 The principal of and interest on the general obligation bonds  
 5 previously authorized by Section 49-b of this constitution shall be  
 6 paid out of the money of the fund in conformance with the  
 7 constitutional provisions authorizing such bonds. The principal of  
 8 and interest on the general obligation bonds authorized by this  
 9 section for the benefit of the Veterans' Land Fund shall be paid  
 10 out of the money of the fund, but the money of the fund which is  
 11 not immediately committed to the payment of principal and interest  
 12 on such bonds, the purchase of lands as herein provided, or the  
 13 payment of expenses as herein provided may be invested in bonds or  
 14 obligations of the United States until the money is needed for such  
 15 purposes.

16 "(e) The Veterans' Housing Assistance Fund is created, and  
 17 \$500 million of the state bonds authorized by this section shall be  
 18 used for the Veterans' Housing Assistance Fund. Money in the  
 19 Veterans' Housing Assistance Fund shall be administered by the  
 20 Veterans' Land Board and shall be used for the purpose of making  
 21 home mortgage loans to veterans for housing within the State of  
 22 Texas in such quantities, on such terms, at such rates of interest,  
 23 and under such rules and regulations as may be authorized by law.  
 24 The expenses of the board in connection with the issuance of the  
 25 bonds and the making of the loans may be paid from money in the  
 26 fund. The Veterans' Housing Assistance Fund shall consist of any



1 interest of the board in all home mortgage loans made to veterans  
2 by the board pursuant to a Veterans' Housing Assistance Program  
3 which the legislature may establish by appropriate legislation  
4 until, with respect to any such home mortgage loan, the principal  
5 amount, together with any interest and penalties due, have been  
6 received by the board; the money attributable to any bonds issued  
7 and sold by the board to provide money for the fund, which money so  
8 attributable shall include but shall not be limited to the proceeds  
9 from the issuance and sale of such bonds; income, rents, and any  
10 other pecuniary benefit received by the board as a result of making  
11 such loans; sums received by way of indemnity or forfeiture for the  
12 failure of any bidder for the purchase of any such bonds to comply  
13 with his bid and accept and pay for such bonds; and interest  
14 received from investments of any such money. The principal of and  
15 interest on the general obligation bonds authorized by this section  
16 for the benefit of the Veterans' Housing Assistance Fund shall be  
17 paid out of the money of the fund, but the money of the fund which  
18 is not immediately committed to the payment of principal and  
19 interest on such bonds, the making of home mortgage loans as herein  
20 provided, or the payment of expenses as herein provided may be  
21 invested in bonds or obligations of the United States until the  
22 money is needed for such purposes.

23 "(f) To the extent there is not money in either the  
24 Veterans' Land Fund or the Veterans' Housing Assistance Fund, as  
25 the case may be, available for payment of principal of and interest  
26 on the general obligation bonds authorized by this section to

1 provide money for either of the funds, there is hereby  
2 appropriated out of the first money coming into the treasury in  
3 each fiscal year, not otherwise appropriated by this constitution,  
4 an amount which is sufficient to pay the principal of and interest  
5 on such general obligation bonds that mature or become due during  
6 that fiscal year.

7 "(g) Receipt of all kinds of the funds determined by the  
8 board not to be required for the payment of principal of and  
9 interest on the general obligation bonds herein authorized,  
10 heretofore authorized, or hereafter authorized by this constitution  
11 to be issued by the board to provide money for either of the funds  
12 may be used by the board, to the extent not inconsistent with the  
13 proceedings authorizing such bonds, to pay the principal of and  
14 interest on general obligation bonds issued to provide money for  
15 the other fund, or to pay the principal of and interest on revenue  
16 bonds of the board issued for the purposes of providing funds for  
17 the purchasing of lands and making the sale thereof to veterans or  
18 making home mortgage loans to veterans as provided by this section.  
19 The revenue bonds shall be special obligations and payable only  
20 from the receipt of the funds and shall not constitute indebtedness  
21 of the state or the Veterans' Land Board. The board is authorized  
22 to issue such revenue bonds from time to time which shall not  
23 exceed an aggregate principal amount that can be fully retired from  
24 the receipts of the funds and other revenues pledged to the  
25 retirement of the revenue bonds. The revenue bonds shall be issued  
26 in such forms and denominations, upon such terms, at such times and

1 places, and in such installments as may be determined by the board;  
2 and, notwithstanding the rate of interest specified by any other  
3 provision of the constitution, shall bear a rate or rates of  
4 interest fixed by the board."

5       SECTION 2. This proposed constitutional amendment shall be  
6 submitted to the voters at an election to be held on November 8,  
7 1983. The ballot shall be printed to provide for voting for or  
8 against the proposition: "The constitutional amendment for  
9 financial assistance to veterans and to authorize the issuance of  
10 \$800 million in bonds of the state to finance the Veterans' Land  
11 Program and the Veterans' Housing Assistance Program."

S.J.R. No. 14

COMMITTEE AMENDMENT NO. 1

Amend S.J.R. No. 14 on page 2, line 2, by striking the words "three years" and substituting the words "five years".

Stiles

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 1, 1983

Honorable Ray Farabee. Chairman  
Committee on State Affairs  
Senate Chamber  
Austin, Texas

In Re: Senate Joint Resolution No. 14  
By: Williams, et al

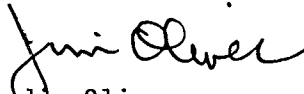
Sir:

In response to your request for a Fiscal Note on Senate Joint Resolution No. 14 (proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program) this office has determined the following:

The resolution provides for the issuance of general obligation bonds not to exceed \$800,000,000 to provide financing to veterans of the state, as defined in the resolution, in recognition of their service to their state and country. The sum of \$300,000,000 million is for the purpose of augmenting the Veterans' Land Fund. The sum of \$500,000,000 shall be used for the purpose of making home mortgage loans to veteran's for housing within the state.

The cost of publication is estimated to be \$50,825 in FY84.

No fiscal implication to units of local government is anticipated.

  
Jim Oliver  
Director

Source: General Land Office;  
LBB Staff: JO, JH, KH, PA

1983 APR -7 AM 11: 04  
HOUSE OF REPRESENTATIVES

# HOUSE COMMITTEE REPORT

1st Printing

By: Williams, et al.  
(Tejeda)

S.J.R. No. 14

## SENATE JOINT RESOLUTION

proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article III of the Texas Constitution be amended by adding Section 49-b-1 to read as follows:

"Section 49-b-1. (a) In addition to the general obligation bonds authorized to be issued and to be sold by the Veterans' Land Board by Section 49-b of this article, the Veterans' Land Board may provide for, issue, and sell not to exceed \$800 million in bonds of the State of Texas to provide financing to veterans of the state in recognition of their service to their state and country.

"(b) For purposes of this section, 'veteran' means a person who served not less than 90 continuous days, unless sooner discharged by reason of a service connected disability, on active duty in the Army, Navy, Air Force, Coast Guard, or Marine Corps of the United States after September 16, 1940, and who, upon the date of filing his or her application for financial assistance under this section is a citizen of the United States, is a bona fide resident of the State of Texas, and was discharged from military service under honorable conditions from any branch of the above-named Armed Forces and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide

1 resident of the State of Texas or who has resided in Texas at least  
2 three years immediately before the date of filing his or her  
3 application. In the event of the death of an eligible Texas  
4 veteran after the veteran has filed an application, the veteran's  
5 surviving spouse may complete the transaction. The term veteran  
6 also includes the unmarried surviving spouse of a veteran who died  
7 in the line of duty, if the deceased veteran meets the requirements  
8 set out in this section with the exception that the deceased  
9 veteran need not have served 90 continuous days and if the deceased  
10 veteran was a bona fide resident of the State of Texas at the time  
11 of enlistment, induction, commissioning, or drafting.

12 "(c) The bonds shall be sold for not less than par value and  
13 accrued interest; shall be issued in such forms and denominations,  
14 upon such terms, at such times and places, and in such installments  
15 as may be determined by the Board; and, notwithstanding the rate of  
16 interest specified by any other provision of this constitution,  
17 shall bear a rate or rates of interest fixed by the board. All  
18 bonds issued and sold pursuant to Subsections (a) through (f) of  
19 this section shall, after execution by the board, approval by the  
20 Attorney General of Texas, registration by the Comptroller of  
21 Public Accounts of the State of Texas, and delivery to the  
22 purchaser or purchasers, be incontestable and shall constitute  
23 general obligations of the state under the Constitution of Texas.

24 "(d) Three hundred million dollars of the state bonds  
25 authorized by this section shall be used to augment the Veterans'  
26 Land Fund. The Veterans' Land Fund shall be used by the board for

1 the purpose of purchasing lands situated in the State of Texas  
2 owned by the United States government or any agency thereof, the  
3 State of Texas or any subdivision or agency thereof, or any person,  
4 firm, or corporation. The lands shall be sold to veterans in such  
5 quantities, on such terms, at such prices, at such rates of  
6 interest, and under such rules and regulations as may be authorized  
7 by law. The expenses of the board in connection with the issuance  
8 of the bonds and the purchase and sale of the lands may be paid  
9 from money in the fund. The Veterans' Land Fund shall continue to  
10 consist of any lands purchased by the board until the sale price  
11 therefor, together with any interest and penalties due, have been  
12 received by the board (although nothing herein shall prevent the  
13 board from accepting full payment for a portion of any tract) and  
14 of the money attributable to any bonds issued and sold by the board  
15 for the Veterans' Land Fund, which money so attributable shall  
16 include but shall not be limited to the proceeds from the issuance  
17 and sale of such bonds; the money received from the sale or resale  
18 of any lands, or rights therein, purchased from such proceeds; the  
19 money received from the sale or resale of any lands, or rights  
20 therein, purchased with other money attributable to such bonds; the  
21 interest and penalties received from the sale or resale of such  
22 lands, or rights therein; the bonuses, income, rents, royalties,  
23 and any other pecuniary benefit received by the board from any such  
24 lands; sums received by way of indemnity or forfeiture for the  
25 failure of any bidder for the purchase of any such bonds to comply  
26 with his bid and accept and pay for such bonds or for the failure



1 of any bidder for the purchase of any lands comprising a part of  
2 the fund to comply with his bid and accept and pay for any such  
3 lands; and interest received from investments of any such money.  
4 The principal of and interest on the general obligation bonds  
5 previously authorized by Section 49-b of this constitution shall be  
6 paid out of the money of the fund in conformance with the  
7 constitutional provisions authorizing such bonds. The principal of  
8 and interest on the general obligation bonds authorized by this  
9 section for the benefit of the Veterans' Land Fund shall be paid  
10 out of the money of the fund, but the money of the fund which is  
11 not immediately committed to the payment of principal and interest  
12 on such bonds, the purchase of lands as herein provided, or the  
13 payment of expenses as herein provided may be invested in bonds or  
14 obligations of the United States until the money is needed for such  
15 purposes.

16 "(e) The Veterans' Housing Assistance Fund is created, and  
17 \$500 million of the state bonds authorized by this section shall be  
18 used for the Veterans' Housing Assistance Fund. Money in the  
19 Veterans' Housing Assistance Fund shall be administered by the  
20 Veterans' Land Board and shall be used for the purpose of making  
21 home mortgage loans to veterans for housing within the State of  
22 Texas in such quantities, on such terms, at such rates of interest,  
23 and under such rules and regulations as may be authorized by law.  
24 The expenses of the board in connection with the issuance of the  
25 bonds and the making of the loans may be paid from money in the  
26 fund. The Veterans' Housing Assistance Fund shall consist of any

1 interest of the board in all home mortgage loans made to veterans  
2 by the board pursuant to a Veterans' Housing Assistance Program  
3 which the legislature may establish by appropriate legislation  
4 until, with respect to any such home mortgage loan, the principal  
5 amount, together with any interest and penalties due, have been  
6 received by the board; the money attributable to any bonds issued  
7 and sold by the board to provide money for the fund, which money so  
8 attributable shall include but shall not be limited to the proceeds  
9 from the issuance and sale of such bonds; income, rents, and any  
10 other pecuniary benefit received by the board as a result of making  
11 such loans; sums received by way of indemnity or forfeiture for the  
12 failure of any bidder for the purchase of any such bonds to comply  
13 with his bid and accept and pay for such bonds; and interest  
14 received from investments of any such money. The principal of and  
15 interest on the general obligation bonds authorized by this section  
16 for the benefit of the Veterans' Housing Assistance Fund shall be  
17 paid out of the money of the fund, but the money of the fund which  
18 is not immediately committed to the payment of principal and  
19 interest on such bonds, the making of home mortgage loans as herein  
20 provided, or the payment of expenses as herein provided may be  
21 invested in bonds or obligations of the United States until the  
22 money is needed for such purposes.

23 "(f) To the extent there is not money in either the  
24 Veterans' Land Fund or the Veterans' Housing Assistance Fund, as  
25 the case may be, available for payment of principal of and interest  
26 on the general obligation bonds authorized by this section to

1 provide money for either of the funds, there is hereby  
2 appropriated out of the first money coming into the treasury in  
3 each fiscal year, not otherwise appropriated by this constitution,  
4 an amount which is sufficient to pay the principal of and interest  
5 on such general obligation bonds that mature or become due during  
6 that fiscal year.

7 "(g) Receipt of all kinds of the funds determined by the  
8 board not to be required for the payment of principal of and  
9 interest on the general obligation bonds herein authorized,  
10 heretofore authorized, or hereafter authorized by this constitution  
11 to be issued by the board to provide money for either of the funds  
12 may be used by the board, to the extent not inconsistent with the  
13 proceedings authorizing such bonds, to pay the principal of and  
14 interest on general obligation bonds issued to provide money for  
15 the other fund, or to pay the principal of and interest on revenue  
16 bonds of the board issued for the purposes of providing funds for  
17 the purchasing of lands and making the sale thereof to veterans or  
18 making home mortgage loans to veterans as provided by this section.  
19 The revenue bonds shall be special obligations and payable only  
20 from the receipt of the funds and shall not constitute indebtedness  
21 of the state or the Veterans' Land Board. The board is authorized  
22 to issue such revenue bonds from time to time which shall not  
23 exceed an aggregate principal amount that can be fully retired from  
24 the receipts of the funds and other revenues pledged to the  
25 retirement of the revenue bonds. The revenue bonds shall be issued  
26 in such forms and denominations, upon such terms, at such times and

1 places, and in such installments as may be determined by the board;  
2 and, notwithstanding the rate of interest specified by any other  
3 provision of the constitution, shall bear a rate or rates of  
4 interest fixed by the board."

5       SECTION 2.   This proposed constitutional amendment shall be  
6 submitted to the voters at an election to be held on November 8,  
7 1983.   The ballot shall be printed to provide for voting for or  
8 against the proposition:   "The constitutional amendment for  
9 financial assistance to veterans and to authorize the issuance of  
10 \$800 million in bonds of the state to finance the Veterans' Land  
11 Program and the Veterans' Housing Assistance Program."

S.J.R. No. 14

COMMITTEE AMENDMENT NO. 1

Amend S.J.R. No. 14 on page 2, line 2, by striking the words "three years" and substituting the words "five years".

Stiles

# COMMITTEE REPORT

The Honorable Gib Lewis  
Speaker of the House of Representatives

4-4-83

(date)

Sir:

We, your COMMITTEE ON STATE AFFAIRS, to whom was referred SSR 14 have had the same under consideration and beg to report back with the recommendation that it (measure)

- ( ) do pass, without amendment  
( ) do pass, with amendment  
( ) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. ( ) yes ( ) no

An author's fiscal statement was requested. ( ) yes ( ) no

An actuarial analysis was requested. ( ) yes ( ) no

The Committee recommends that this measure be placed on the (Local) or (Consent) Calendar.

This measure ( ) proposes new law an amendment to the constitution.  
( ) amends existing law.

House Sponsor of Senate Measure TEJEDA

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Laney, Ch.	✓			
Ceverha, V.C.	✓			
Millsap, C.B.O.	✓			
Bomer	✓			
Bush	✓			
Davis	✓			
Gilley	✓			
Green	✓			
Hill, P.		✓		
Horn	✓			
Keller	✓			
Pennington	✓			
Short	✓			
Smith, C.		✓		
Stiles	✓			

Total  
13 aye  
2 nay  
0 present, not voting  
0 absent

Gib Lewis  
CHAIRMAN  
R. M. Malt  
COMMITTEE COORDINATOR

## BILL ANALYSIS

### Background

Currently, money raised through the Veterans Land Program, established in 1947, can only be used for the purchase of lands and resale thereof to Texas veterans by contracts at a favorable interest rate. Due to inflation and high interest rates, it is becoming increasingly difficult for veterans to purchase homes. There are several other housing assistance programs in existence; however, there are none that specifically provide service to veterans.

### Purpose

The purpose of this bill is to amend Article III of the Texas Constitution by adding Section 49-b-1 establishing a program that will enable Texas veterans to purchase at a favorable interest rate and to participate with lending institutions to secure these loans.

### Section by Section Analysis

Sec. 1 Amends Article III of the Texas Constitution by adding Section 49-b-1 as follows:

Section 1(a) Provides for the Veterans' Land Board to issue and sell up to \$800,000,000 in bonds to provide financing for veterans.

Section 1(b) Veteran is defined.

Section 1(c) Provides that bonds not be sold for less than par value and accrued interest, and shall be issued as determined by the Board.

Section 1(d) Provides that \$300,000,000 of the state bonds be used to augment the Veterans' Land Fund to purchase lands to sell to veterans under rules and regulations authorized by law.

Section 1(e) Creates Veterans' Housing Assistance Funds and authorizes \$500,000,000 of the state bonds to be used for the purpose of making home mortgage loans to veterans.

Section 1(f) Provides for payment of principal and interest on general obligation bonds not covered by the Veterans' Land Fund or Veterans' Housing Assistance Fund out of the first money coming into the treasury each fiscal year.

Section 1(g) Provides that receipt of funds determined by the Board not to be required for payment of principal and interest on general obligation bonds may be used by the Board to provide money for the other fund or to pay the principal and interest on revenue bonds issued for the purpose of providing funds for the purchase of lands and the sale thereof to veterans or making home mortgage loans to veterans.

Sec. 2 The Constitutional amendment shall be submitted to the voters at an election to be held on November 8, 1983.

### Rulemaking Authority

It is the committee's opinion that this bill does not delegate rulemaking authority to a state officer, agency, department, or institution.

Summary of Committee Action

The bill was referred to a subcommittee consisting of the following member: Mr. Stiles. Public notice was posted in accordance with the Rules of Procedure of the House of Representatives and a public hearing was held on the house companion bill, H.J.R. 44, on March 14, 1983. On April 4, 1983 the measure was reported from committee with amendment and the recommendation that it do pass by a record vote of 13 ayes and 2 nays.

Committee Amendment Number 1 changes the residency requirement from three years to five years.



# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

April 6, 1983

Honorable James E. (Pete) Laney, Chair  
Committee on State Affairs  
House of Representatives  
Austin, Texas

In Re: Senate Joint Resolution No. 14,  
as engrossed  
By: Williams, et al

Sir:

In response to your request for a Fiscal Note on Senate Joint Resolution No. 14, as engrossed (proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program) this office has determined the following:

The resolution provides for the issuance of general obligation bonds not to exceed \$800,000,000 to provide financing to veterans of the state, as defined in the resolution, in recognition of their service to their state and country. The sum of \$300,000,000 million is for the purpose of augmenting the Veterans' Land Fund. The sum of \$500,000,000 shall be used for the purpose of making home mortgage loans to veteran's for housing within the state.

The cost of publication is estimated to be \$50,825 in FY84.

No fiscal implication to units of local government is anticipated.

  
Jim Oliver  
Director

Source: General Land Office;  
LBB Staff: JO, JH, KH, LV

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 1, 1983

Honorable Ray Farabee, Chairman  
Committee on State Affairs  
Senate Chamber  
Austin, Texas

In Re: Senate Joint Resolution No. 14  
By: Williams, et al

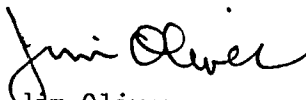
Sir:

In response to your request for a Fiscal Note on Senate Joint Resolution No. 14 (proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program) this office has determined the following:

The resolution provides for the issuance of general obligation bonds not to exceed \$800,000,000 to provide financing to veterans of the state, as defined in the resolution, in recognition of their service to their state and country. The sum of \$300,000,000 million is for the purpose of augmenting the Veterans' Land Fund. The sum of \$500,000,000 shall be used for the purpose of making home mortgage loans to veteran's for housing within the state.

The cost of publication is estimated to be \$50,825 in FY84.

No fiscal implication to units of local government is anticipated.

  
Jim Oliver  
Director

Source: General Land Office;  
LBB Staff: JO, JH, KH, PA

1R  
5-3-83

Committee Amendment #1

By: Stiles, Mark

Amend S.J.R. No. 14 on page 2, line 2, by striking the words "three years"  
and substituting the words "five years".

**ADOPTED**

APR 29 1983

*Betty Murray*  
Chief Clerk  
House of Representatives

House am. #1  
5/3/83

132  
V.20

Enrolled	<u>May 3, 1983</u>
	<u>Katay Spaw</u>
	Enrolling Clerk

S.J.R. No. 14

1                               SENATE JOINT RESOLUTION  
2     proposing a constitutional amendment for financial assistance to  
3     veterans and to authorize the issuance of bonds of the state to  
4     finance the Veterans' Land Program and the Veterans' Housing  
5     Assistance Program.

6               BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7               SECTION 1. That Article III of the Texas Constitution be  
8     amended by adding Section 49-b-1 to read as follows:

9               "Section 49-b-1. (a) In addition to the general obligation  
10     bonds authorized to be issued and to be sold by the Veterans' Land  
11     Board by Section 49-b of this article, the Veterans' Land Board may  
12     provide for, issue, and sell not to exceed \$800 million in bonds of  
13     the State of Texas to provide financing to veterans of the state in  
14     recognition of their service to their state and country.

15              "(b) For purposes of this section, 'veteran' means a person  
16     who served not less than 90 continuous days, unless sooner  
17     discharged by reason of a service connected disability, on active  
18     duty in the Army, Navy, Air Force, Coast Guard, or Marine Corps of  
19     the United States after September 16, 1940, and who, upon the date  
20     of filing his or her application for financial assistance under  
21     this section is a citizen of the United States, is a bona fide  
22     resident of the State of Texas, and was discharged from military  
23     service under honorable conditions from any branch of the  
24     above-named Armed Forces and who at the time of his or her  
25     enlistment, induction, commissioning, or drafting was a bona fide

resident of the State of Texas or who has resided in Texas at least five years immediately before the date of filing his or her application. In the event of the death of an eligible Texas veteran after the veteran has filed an application, the veteran's surviving spouse may complete the transaction. The term veteran also includes the unmarried surviving spouse of a veteran who died in the line of duty, if the deceased veteran meets the requirements set out in this section with the exception that the deceased veteran need not have served 90 continuous days and if the deceased veteran was a bona fide resident of the State of Texas at the time of enlistment, induction, commissioning, or drafting.

"(c) The bonds shall be sold for not less than par value and accrued interest; shall be issued in such forms and denominations, upon such terms, at such times and places, and in such installments as may be determined by the board; and, notwithstanding the rate of interest specified by any other provision of this constitution, shall bear a rate or rates of interest fixed by the board. All bonds issued and sold pursuant to Subsections (a) through (f) of this section shall, after execution by the board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the state under the Constitution of Texas.

"(d) Three hundred million dollars of the state bonds authorized by this section shall be used to augment the Veterans' Land Fund. The Veterans' Land Fund shall be used by the board for

1 the purpose of purchasing lands situated in the State of Texas  
2 owned by the United States government or any agency thereof, the  
3 State of Texas or any subdivision or agency thereof, or any person,  
4 firm, or corporation. The lands shall be sold to veterans in such  
5 quantities, on such terms, at such prices, at such rates of  
6 interest, and under such rules and regulations as may be authorized  
7 by law. The expenses of the board in connection with the issuance  
8 of the bonds and the purchase and sale of the lands may be paid  
9 from money in the fund. The Veterans' Land Fund shall continue to  
10 consist of any lands purchased by the board until the sale price  
11 therefor, together with any interest and penalties due, have been  
12 received by the board (although nothing herein shall prevent the  
13 board from accepting full payment for a portion of any tract) and  
14 of the money attributable to any bonds issued and sold by the board  
15 for the Veterans' Land Fund, which money so attributable shall  
16 include but shall not be limited to the proceeds from the issuance  
17 and sale of such bonds; the money received from the sale or resale  
18 of any lands, or rights therein, purchased from such proceeds; the  
19 money received from the sale or resale of any lands, or rights  
20 therein, purchased with other money attributable to such bonds; the  
21 interest and penalties received from the sale or resale of such  
22 lands, or rights therein; the bonuses, income, rents, royalties,  
23 and any other pecuniary benefit received by the board from any such  
24 lands; sums received by way of indemnity or forfeiture for the  
25 failure of any bidder for the purchase of any such bonds to comply  
26 with his bid and accept and pay for such bonds or for the failure

1 of any bidder for the purchase of any lands comprising a part of  
2 the fund to comply with his bid and accept and pay for any such  
3 lands; and interest received from investments of any such money.  
4 The principal of and interest on the general obligation bonds  
5 previously authorized by Section 49-b of this constitution shall be  
6 paid out of the money of the fund in conformance with the  
7 constitutional provisions authorizing such bonds. The principal of  
8 and interest on the general obligation bonds authorized by this  
9 section for the benefit of the Veterans' Land Fund shall be paid  
10 out of the money of the fund, but the money of the fund which is  
11 not immediately committed to the payment of principal and interest  
12 on such bonds, the purchase of lands as herein provided, or the  
13 payment of expenses as herein provided may be invested in bonds or  
14 obligations of the United States until the money is needed for such  
15 purposes.

16 "(e) The Veterans' Housing Assistance Fund is created, and  
17 \$500 million of the state bonds authorized by this section shall be  
18 used for the Veterans' Housing Assistance Fund. Money in the  
19 Veterans' Housing Assistance Fund shall be administered by the  
20 Veterans' Land Board and shall be used for the purpose of making  
21 home mortgage loans to veterans for housing within the State of  
22 Texas in such quantities, on such terms, at such rates of interest,  
23 and under such rules and regulations as may be authorized by law.  
24 The expenses of the board in connection with the issuance of the  
25 bonds and the making of the loans may be paid from money in the  
26 fund. The Veterans' Housing Assistance Fund shall consist of any

1 interest of the board in all home mortgage loans made to veterans  
2 by the board pursuant to a Veterans' Housing Assistance Program  
3 which the legislature may establish by appropriate legislation  
4 until, with respect to any such home mortgage loan, the principal  
5 amount, together with any interest and penalties due, have been  
6 received by the board; the money attributable to any bonds issued  
7 and sold by the board to provide money for the fund, which money so  
8 attributable shall include but shall not be limited to the proceeds  
9 from the issuance and sale of such bonds; income, rents, and any  
10 other pecuniary benefit received by the board as a result of making  
11 such loans; sums received by way of indemnity or forfeiture for the  
12 failure of any bidder for the purchase of any such bonds to comply  
13 with his bid and accept and pay for such bonds; and interest  
14 received from investments of any such money. The principal of and  
15 interest on the general obligation bonds authorized by this section  
16 for the benefit of the Veterans' Housing Assistance Fund shall be  
17 paid out of the money of the fund, but the money of the fund which  
18 is not immediately committed to the payment of principal and  
19 interest on such bonds, the making of home mortgage loans as herein  
20 provided, or the payment of expenses as herein provided may be  
21 invested in bonds or obligations of the United States until the  
22 money is needed for such purposes.

23 "(f) To the extent there is not money in either the  
24 Veterans' Land Fund or the Veterans' Housing Assistance Fund, as  
25 the case may be, available for payment of principal of and interest  
26 on the general obligation bonds authorized by this section to



1 provide money for either of the funds, there is hereby  
2 appropriated out of the first money coming into the treasury in  
3 each fiscal year, not otherwise appropriated by this constitution,  
4 an amount which is sufficient to pay the principal of and interest  
5 on such general obligation bonds that mature or become due during  
6 that fiscal year.

7 "(g) Receipt of all kinds of the funds determined by the  
8 board not to be required for the payment of principal of and  
9 interest on the general obligation bonds herein authorized,  
10 heretofore authorized, or hereafter authorized by this constitution  
11 to be issued by the board to provide money for either of the funds  
12 may be used by the board, to the extent not inconsistent with the  
13 proceedings authorizing such bonds, to pay the principal of and  
14 interest on general obligation bonds issued to provide money for  
15 the other fund, or to pay the principal of and interest on revenue  
16 bonds of the board issued for the purposes of providing funds for  
17 the purchasing of lands and making the sale thereof to veterans or  
18 making home mortgage loans to veterans as provided by this section.  
19 The revenue bonds shall be special obligations and payable only  
20 from the receipt of the funds and shall not constitute indebtedness  
21 of the state or the Veterans' Land Board. The board is authorized  
22 to issue such revenue bonds from time to time which shall not  
23 exceed an aggregate principal amount that can be fully retired from  
24 the receipts of the funds and other revenues pledged to the  
25 retirement of the revenue bonds. The revenue bonds shall be issued  
26 in such forms and denominations, upon such terms, at such times and

1 places, and in such installments as may be determined by the board;  
2 and, notwithstanding the rate of interest specified by any other  
3 provision of the constitution, shall bear a rate or rates of  
4 interest fixed by the board."

5       SECTION 2. This proposed constitutional amendment shall be  
6 submitted to the voters at an election to be held on November 8,  
7 1983. The ballot shall be printed to provide for voting for or  
8 against the proposition: "The constitutional amendment for  
9 financial assistance to veterans and to authorize the issuance of  
10 \$800 million in bonds of the state to finance the Veterans' Land  
11 Program and the Veterans' Housing Assistance Program."

S.J.R. No. 14

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.J.R. No. 14 was passed by the Senate on March 14, 1983, by the following vote: Yeas 29, Nays 0; and that the Senate concurred in House amendment on May 3, 1983, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.J.R. No. 14 was passed by the House, with amendment, on April 29, 1983, by the following vote: Yeas 126, Nays 12, three present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

April 6, 1983

Honorable James E. (Pete) Laney, Chair  
Committee on State Affairs  
House of Representatives  
Austin, Texas

In Re: Senate Joint Resolution No. 14,  
as engrossed  
By: Williams, et al

Sir:

In response to your request for a Fiscal Note on Senate Joint Resolution No. 14, as engrossed (proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program) this office has determined the following:

The resolution provides for the issuance of general obligation bonds not to exceed \$800,000,000 to provide financing to veterans of the state, as defined in the resolution, in recognition of their service to their state and country. The sum of \$300,000,000 million is for the purpose of augmenting the Veterans' Land Fund. The sum of \$500,000,000 shall be used for the purpose of making home mortgage loans to veteran's for housing within the state.

The cost of publication is estimated to be \$50,825 in FY84.

No fiscal implication to units of local government is anticipated.

  
Jim Oliver  
Director

Source: General Land Office;  
LBB Staff: JO, JH, KH, LV

# LEGISLATIVE BUDGET BOARD

Austin, Texas

## FISCAL NOTE

March 1, 1983

Honorable Ray Farabee. Chairman  
Committee on State Affairs  
Senate Chamber  
Austin, Texas

In Re: Senate Joint Resolution No. 14  
By: Williams, et al

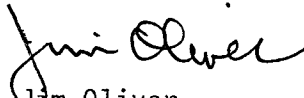
Sir:

In response to your request for a Fiscal Note on Senate Joint Resolution No. 14 (proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program) this office has determined the following:

The resolution provides for the issuance of general obligation bonds not to exceed \$800,000,000 to provide financing to veterans of the state, as defined in the resolution, in recognition of their service to their state and country. The sum of \$300,000,000 million is for the purpose of augmenting the Veterans' Land Fund. The sum of \$500,000,000 shall be used for the purpose of making home mortgage loans to veteran's for housing within the state.

The cost of publication is estimated to be \$50,825 in FY84.

No fiscal implication to units of local government is anticipated.

  
Jim Oliver  
Director

Source: General Land Office;  
LBB Staff: JO, JH, KH, PA

By Williams & Rothman

Proposing a constitutional amendment for financial assistance to veterans and to authorize the issuance of bonds of the state to finance the Veterans' Land Program and the Veterans' Housing Assistance Program.

2-10-83

Filed with the Secretary of the Senate

FEB 14 1983Read, referred to Committee on STATE AFFAIRS

Reported favorably.

MAR 10 1983

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed.

MAR 14 1983

Senate and Constitutional Rules to permit consideration suspended by

unanimous consent

\_\_\_\_ years, \_\_\_\_ days.

To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of \_\_\_\_ years, \_\_\_\_ days.

MAR 14 1983Read second time amended and ordered engrossed.passed to third reading.MAR 14 1983

Caption ordered amended to conform to body of bill.

MAR 14 1983Senate and Constitutional 3-Day Rules suspended by vote of 28 years, 1 days to place bill on third reading and final passage.MAR 14 1983Read third time and passed by a viva voce vote.  
29 years, 0 days.

OTHER ACTION:

Betty King

Secretary of the Senate

MAR 15 1983

Received from the Senate

MAR 17 1983Read first time and referred to Committee on State Affairs4-4-83Reported favorably amended, sent to Printer 2:00 p.m. APR 6 1983APR 7 1983Printed and Distributed 11:04 amAPR 8 1983Sent to Committee on Calendars 1:43 pmAPR 29 1983Read second time amended and finally adopted~~failed adoption~~ by Record Vote of126 yeas 12 nays 3 present not votingRead third time (amended) and finally adopted  
failed adoption by a Record Vote of

\_\_\_\_ yeas \_\_\_\_ nays \_\_\_\_ present not voting

Caption ordered amended to conform to body of resolution

MAY 2 1983

Returned to Senate.

MAY 2 1983

RETURNED FROM HOUSE

with amendmentMAY 3 1983Senate concurred in House amendments by the following vote: 30  
yeas, 2 nays.Betty Murray  
Chief Clerk of the HouseMarch 14, 1983

Engrossed

March 15, 1983

Sent to HOUSE

Patsy Spaw

ENGROSSING CLERK